Nippon Times

NO. 16,296 (THE 19th YEAR of SHOWA) TOKYO FRIDAY, AUGUST 4, 1944 第三種郵便物認可 昭和十五年十二月二十七日 Price 20 Sen

ENORMOUS 'V-1' TOLL BARED BY CHURCHILL IN COMMONS REPORT

4,735 Killed, Over 14,000 Injured and 817,000 Homes Blasted—No Hope Offered

Special to the Nippon Times

STOCKHOLM, August 2.—Prime Minister Winston Churchill, today, in his speech to the House of Commons brought the war sharply home to the British people with the disclosure that 4,735 persons had been killed, 14,000 more or less seriously injured and also many slightly injured by the German flying bombs which also destroyed 17,000 and damaged 800,000 homes since the attacks began on June 15, according to a London dispatch.

Churchill said that nearly 1,000,000 persons, among them 225,000 mothers, have been assisted to leave London.

Referring to British countermeasures, Churchill gave the Britishers little encouragement when he said that "every effort in manpower is being made to prevent and mitigate the effect of these bombardments. Hundreds of the most expert brains we have are constantly riveted upon the problem, but I do not guarantee that it will be completely solved until we have occupied the regions from which these bombs are launched."

Continuing upon the flying bombs, Churchill said that an estimated 4,500 tons of flying bombs landed in England from the evening of June 15 to evening of July 31.

'V-1' Barrages Continued

Special to the Nippon Times

BERLIN, August 2.—Retaliation attacks by the "V-1" continued to pound Southern England and Greater London all during yesterday and last night. According to competent quarters in the British capital, it was estimated that the number of flying bombs falling on London alone, total 120 daily. It was emphasized that each of the bombs can destroy an entire block of houses.

The Daily Herald of London points out that lately, 14 to 15 of the flying bombs arrive simultaneously and that the destruction caused by the ensuing explosions is terrific.

No Rest for Britishers

Domei

LISBON, August 2.—England must count on being showered by flying bombs until the war ends, Robert Sikes, American Congressman, declared today in the Daily Express hinting that British counter-measures could not keep up with the German new developments, according to a London dispatch.

He said that the German flying bombs have been improved to the extent that they now have three times the original range and hence can be launched from starting bases a great distance off. The firing of flying bombs on England will not cease, he said.

REICH SPOKESMAN HAILS NEW FINNISH PRESIDENT

Pays Tribute to Ryti as Man Of Great Common Sense And Patriotism

Domei

BERLIN, August 2.—The change of Presidents in Finland was dealt with today by the Wilhelmstrasse spokesman who pointed out that Risto Ryti, former President, having in view the seriousness of the situation decided to concentrate military and political authority in the hands of a single man.

He said that Field-Marshal Baron Karl Von Mannerheim without doubt is the person capable of solving the forthcoming great tasks.

He stressed that this concentration of authority meant that Finland was accentuating its efforts instead of relaxing them.

Continuing, the spokesman declared that President Ryti while in office had proved to be a man of great common sense and patriotic conscience. He had managed to steer Finland safely through all the dangers which threatened the nation, he said.

Rommel in Motor Accident

Domei

BERLIN, August 2.—Field-Marshal Erwin Rommel suffered injuries and concussion of the brain in an automobile accident in France during the air attack on July 17, but his life is not in danger and his condition satisfactory, German quarters announced today.

London Traffic Setup Dislocated by V-1's; Evacuation Continues

Domei

LISBON, August 1.—All London newspapers came out today with accounts of the serious dislocation which had been caused to the traffic system in the London area by flying bombs. The Times reported that more than 36,000 people had departed from Waterloo Station for Bournemouth and other destinations in the west between midnight of Friday and 5 p.m. on Saturday. The Daily Herald revealed that the population of Bournemouth had registered a sudden increase of nearly 30,000. It explained that the new arrivals in the city were either people who could not bear the present air-raid conditions in London or those who had been rendered homeless.

GERMAN RELATIONS CUT OFF BY TURKEY

Independence Doomed by Action, Says Wilhelmstrasse—Von Papen Leaves for Berlin

Domei

BERLIN, August 2.—The Turkish Government has severed economic and political relations with Germany, the Ankara Radio announced today.

After violent disputes at the secret meeting of the Turkish Peoples Party yesterday, the Turkish National Assembly accepted the decision by the Government to sever economic and diplomatic relations with Germany.

In regard to this rupture of relations, the German Foreign Office made the following statement today:

Turkey has violated the German-Turkish amity pact and thus suspended its traditional policy of neutrality and friendship toward Germany which is the prerequisite for its independence.

Despite German warnings, the Turkish Government has given in to the pressure exerted by Britain, the United States and the Soviet Union and has entered the path on which it will lose its freedom and independence.

The Foreign Office announcement said that the Turkish charge d'affaires in Berlin has been requested by the German Government today to leave German territory since his tasks here had ended.

Franz von Papen, German Ambassador to Ankara, following instructions by his Government, left Turkey by plane this afternoon, it was learned here.

At the same time, the Turkish charge d'affaires in Berlin was handed his passport and requested to leave the country by Thursday morning.

All other members of the two diplomatic missions will remain in Berlin and Ankara respectively and will later be exchanged with all the other citizens in the usual way.

Not Entering War

Domei

LISBON, August 2.—Announcing that as a result of today's discussions in the Turkish National Assembly the Turkish Government had decided to break off economic and diplomatic relations with Germany, Premier Sukru Saracoglu and concurrently Foreign Minister of Turkey stressed that this rupture does not mean Turkey's entry into the war, adding that whether Turkey decides to enter the war or not will depend on future developments, according to an Ankara dispatch.

U.S. SHORTAGES REVEALED

Production in 90 Categories Below Minimum Requirements

Special to the Nippon Times

LISBON, August 3.—Production shortages of items required by the United States army now fall into 320 categories, Lieutenant-General Brehon Sommerville, Commander of the Army Service Board, revealed today, according to a Washington dispatch. Sommerville said that production in 90 categories was below the minimum requirements of the army and that the requirements had to be met.

Sommerville called for a 24 per cent increase in war production by October. Meanwhile, the War Production Board also announced that production was lagging. Sommerville blamed the lagging production on manpower shortages and said that the nation needed to recover the high point of efficiency it had a year ago.

STRIKES HAMPERING WAR OUTPUT EFFORT OF U.S. INDUSTRIES

Machinists Walk Out in San Francisco; Transit System in Philadelphia Tied Up

Domei

LISBON, August 2.—Work stoppages in the United States hampered war production from coast to coast, ranging from the transportation tie-up at Philadelphia to the all-machinists strike in the San Francisco bay area threatening the delivery of engines for the navy merchant ships, according to a New York dispatch.

The San Francisco strike at the Federal Mogul Bearing Corporation plant where all but 17 machinists walked out in a dispute involving overtime drew attention of top-ranking army, navy and government officials who intimated government seizure may be requested.

The number of workers striking throughout the nation was estimated at 25,000 including approximately 6,000 transit employees at Philadelphia who despite pleas by the employers declared that they would remain out as long as the company planned to employ Negroes. This strike, which slashed war production and stranded thousands of Philadelphians, developed unexpectedly without union authorization as a protest against the hiring of Negro drivers by the Philadelphia Transportation Company.

It is learned that fast moving groups of armed Negroes created havoc in the city today as officials indicated impending federal seizure of Philadelphia's bus, trolley and subway lines. Thirteen persons were injured and a Philadelphia citizens committee asked a declaration of martial law.

The biggest strike, however, was in Detroit where 7,000 workers of the Chevrolet gear and axle division of the General Motors Corporation continued their week-long walkout protesting against the new production speed-ups. Their action halted the production of engine parts for the Whitney Aircraft Engines Company's five plants.

CURTIN THREATENS FORCE TO BREAK UP STRIKE WAVE

War Plants in Portland Area Paralyzed—Labor's Tiffs Hit Montreal, Philadelphia

Domei

STOCKHOLM, August 2.—Premier John Curtin, today, threatened coercive measures to put an end to the strike wave which has paralyzed the entire war industry in Portland and neighboring towns, according to a Melbourne dispatch.

The strikes first began when a butcher in Portland dismissed a girl assistant and declined to re-employ her. Miners, gas workers, traffic workers and butchers of the town then went on sympathy strike. By today, 13 mines had been affected by the strike wave and gas workers in Lithgow were also idle today.

Domei

LISBON, August 2.—The strike by 4,000 street-car men at Montreal, Canada which was started early this morning is gravely jeopardizing the work at hundreds of important war factories and business firms in the Canadian city and its vicinity, a Reuters dispatch from London said today. Authorities are desperately employing all possible means to prevent a complete breakdown of traffic, the report added.

G.O.P. GOVERNORS MEETING

Strong Support for Dewey and Bricker Emphasized

Domei

LISBON, August 2.—The nation's 26 Republican governors, headed by Governor Thomas Dewey, Republican presidential nominee, began conferences today in St. Louis, according to a New York dispatch.

Governor William Wills of Vermont opened the conferences with the statement that "the cause of liberal government can be furthered by the election of Dewey and Bricker."

He said that "certainly the governors here today representing 26 states and over 50 per cent of the nation's voters know what their people are thinking and this is a good start toward bringing the Government back to the village pump."

Britain's Critical Financial Position Stressed In Sunday Times' Article Warning Britishers

Special to the Nippon Times

LISBON, August 2.—Britain's critical financial position is gravely pointed out in a report appearing in The Sunday Times' issue of July 16 just received here.

The article said:

Some salutary, if somber, pronouncements have been made recently concerning the tremendous burden imposed on this country by war. Bevin bluntly declared that we are broke. Keynes affirmed that the United Kingdom had been greatly impoverished.

"As one proof Keynes quoted the fact that Britain incurred large undischarged indebtedness of 3,000,000,000 pounds. In his speech on the budget last April he stated that Britain had already parted with overseas assets to the extent of 1,000,000,000 dollars and incurred further overseas liabilities, amounting to 2,000,000,000 pounds.

"Even if the Chancellor's figures related to the end of 1943, 760,000,000 pounds of private monetary capital, which should have gone into renewals and replacements of physical capital, were diverted into production. 545,000,000 pounds had up to the same date been disbursed in compensation for war damage, which was not the full tale of the loss from this cause.

"It is in this light of fact that the community should judge schemes which hold out promise of higher standard of living of grandiose reconstruction with more and better school buildings and with electricity and water laid on to the most remotest farm. Standard of living at any moment is dependent upon the current flow in consumption of goods and services. That part of the flow which originate from assets and equipment enumerated above has permanently ceased. To capital assets and to make new additions to our capital stock would entail continued sacrifice of some consumption. The country must face the logic of this."

NEW THAI CABINET LINE-UP REVEALED

Prime Minister Abhaiwongse Holds Concurrent Posts of Finance, Communications

Domei

BANGKOK, August 2.—The Publicity Bureau of the Thai Government announced at 4 p.m. today that Regent Pridi Phanomyong officially appointed, by Royal decree, cabinet members whose names were submitted by Major Khuang Abhaiwongse, new Premier.

The names of the Cabinet Ministers follow:

Prime Minister and concurrently Finance Minister and Communications Minister, Major Khuang Abhaiwongse; Defense Minister and concurrently Agriculture Minister, Vice-Admiral Sin Kamonnawin, who is at present Supreme Commander of the Thai Navy; Foreign Minister, Sisena Sombatsiri, former Thai Ambassador to Japan; Education Minister, Thawi Bunyaket, former Secretary-General of the Cabinet and also former State Minister; Deputy Education Minister, Duen Bunnak; Justice Minister and concurrently Public Health Minister, Chit Sithamathibet.

A vote of confidence in the new cabinet is scheduled to be taken in the Assembly of Peoples' Representatives tomorrow afternoon.

JAPANESE GUNS HIT RAIDERS OVER TRUK

Severely Damage Six and Repulse Rest

Special to the Nippon Times

CENTRAL PACIFIC BASE, August 3.—Severe damage was dealt to six out of about 20 large enemy planes which raided Truk Island on Tuesday by Japanese Units stationed there which fought the enemy planes and repulsed them.

In the meantime 20-odd medium-sized enemy planes raided Nauru Island on Tuesday while more than 10 enemy planes came to attack Ponape Island early on the morning of August 2.

Four Rabaul Raiders Hit

Special to the Nippon Times

RABAUL, August 3.—About 90 enemy fighters and bombers came to attack Rabaul on August 1.

The Japanese Units there gave battle and shot down four enemy planes.

Ambon, Namlea Raided

Special to the Nippon Times

SOUTHWESTERN PACIFIC BASE, August 3.—Several large enemy planes came raiding Ambon on Amboina Island before dawn on August 1, while 16 large enemy planes attacked Namlea on Buru Island west of New Guinea on July 31.

Hu Going to U.S.

Domei

CANTON, August 3.—The Chungking regime announced yesterday that Hu Shih-tse, permanent Foreign Vice-Minister, will be dispatched to the so-called four-power conference among Britain, the United States, the Soviet Union and Chungking to be held in Washington from August 14, according to Chungking reports.

GERMAN RESERVES WILL FULFIL DUTY

Home Army Shall Display Exemplary Loyalty and Obedience, Says Himmler

Domei

BERLIN, August 2.—The German Reserve Army will fully justify the faith placed in it by the German home front and by those gallant comrades fighting on the firing line, declared Reich Home Minister Heinrich Himmler in his first speech since his appointment as Commander-in-Chief of the German Reserve Army by Reichsfuehrer Adolf Hitler on July 20.

Home Minister Himmler's speech follows:

"On July 20, our Fuehrer and Supreme Military Commander Adolf Hitler appointed me as Commander-in-Chief of the German Reserve Army and chief of the army armaments. The fronts and the home country are justified in expecting the greatest achievements from the Reserve Army. We shall not disappoint either the comrades on the fighting line or those dearest to us, the children, wives and parents.

"I know that the home army will display exemplary loyalty and obedience. I order that the garrisons and staffs will daily go on training and fulfilling their duties for as long as the armament worker works in his factory. I demand that the officers and men and all the members of the army shall uncompromisingly and honestly renounce any epotism and cursed 'Etappengeist.' I demand that every officer and man who can be spared at home shall be sent to the front according to his own wish or, if for reasons of age or health he is unfit for the front, he shall be released for work in the armament plants.

"I expect the officers and officials in particular to make use of one privilege, namely to fulfill their duties to work still harder and to be still more gallant and steadfast than the men on the fronts. Never swerving from our loyalty and our faith unhesitating to obey, upright in our bearing, untiring in our industry, carefully fulfilling our charges, we have pledged to wipe out the disgrace of July 20th by our deeds and achievements and to become a national, socialist people's army of the Fuehrer and his Reich."

In the meantime, Reich Marshal Hermann Goering appointed Lieutenant-General Werner Kreipe, hitherto chief of the training section of German airmen, to succeed Lieutenant-Colonel Korten, who was killed during the attempt on the Fuehrer's life, as chief-of-staff of the Luftwaffe.

German Army Reorganized

With the reorganization of the German army, the actual strength of the Germans will be made evident on the Eastern Front and this will be reflected also on the Normandy front, Kenkichi Oshima, the Berlin correspondent of the Mainichi reports under date of July 31.

Five years after the beginning of the European War, the reorganization of the German Army is now complete both in form and structure, unwelcome elements finally eliminated and the new Army will be infused with new blood, the report continues.

The German home front too is exerting its utmost toward the execution of the war. That is to say, a decided step forward has been taken and much is expected from the quickened tempo on all fronts.

JAPANESE UNITS SET FOR DECISIVE DRIVE ON FOE IN SHAOKWAN

Crushing Blows Dealt Enemy In 7th War Zone; Lienhwa Is Captured

By A MEMBER
Of the Military Press Corps

SOUTH CHINA FRONT, August 3.—Chungking forces are making a desperate attempt to hold Shaokwan against the crack Units of the Japanese Army in South China which have been striking at the Seventh War Zone with a series of crushing blows since late July.

Slowly but surely the Japanese Units are advancing in readiness to deal the final, annihilation blow to the army of General Yu Han-mou, commander of the Chungking forces in the Seventh War Zone, who has over eight divisions in the field against the vanguard units of the Japanese Forces.

The enemy has for some time been preoccupied with the strengthening of the defense of points in front of Shaokwan.

He has mustered, in an area southwest of Lienkiang, the 156th Division of the 64th Army which suffered an overwhelming defeat some time ago, and is pushing its reorganization.

In the area along the Canton-Hankow Railway, with Yingtak as the center, the enemy has collected some of the troops of the 158th and the 160th Divisions of the 65th Army which had been stationed in the east, the 20th Independent Brigade which had been at Hsinfeng, and the Ninth Independent Brigade which had been operating in the direction of Poklo in the southeast.

The other measures which have been taken by the enemy for bolstering the defense of the Seventh War Zone have included the strengthening of the defense line of the 154th Division by dispatching the 154th Division, a mixed force, and the Ninth Independent Brigade to the foremost front of the army defending the zone.

In the Fokang area the enemy has 18 divisions of the 65th Army and in an area to the southeast the 152nd and the 153rd divisions of the 63rd Army which became demoralized under the thrust of the right wing of the Japanese Force in early July.

Japanese Capture Lienhwa

By a Member of the Military Press Corps

HUNAN FRONT, August 2.—Lienhwa, the next greatest point of importance to the enemy in the Third War Zone after Changsha, fell to the Japanese yesterday.

A violent attack from three sides enabled the capture which was the exploit of the right wing of the Japanese Forces which had been constantly menacing the area which adjoins the Ninth War Zone since it advanced into Kiangsi Province.

July 30 and 31 found the Units speeding toward the south during which advance they destroyed the enemy in the neighborhood of Pinghsiang and on the morning of August 1 the main force completely occupied Lienhwa, 70 kilometers south of Pinghsiang.

Since the loss of Changsha the enemy had been making Lienhwa the base for operations in the Ninth War Zone. The town was also headquarters of the enemy's 27th army corps.

Up to the very time when the Japanese began to close in upon Lienhwa the enemy had been boasting of the impregnability of its defense system. The burden of defending Lienhwa fell mostly on the 20th Army, alleged by Chungking as one of its most formidable units, assisted by the 72nd Army of the 30th Army Corps which had retreated from the neighborhood of Pinghsiang.

Hengyang Foe Hit 10 Times

Domei

LISBON, August 3.—The Chungking military authorities in their war communique of August 1 announced that the Japanese Forces in the area of Hengyang had attacked the positions of the Chungking army remaining around the city 10 times, according to a Chungking dispatch. They also admitted the fall on July 31 of Lienhwa in Kiangsi Province.

Foe Airfields on Owi And Wiak Islands Hit By Japanese Bombers

Special to the Nippon Times

SOUTH PACIFIC BASE, August 3.—Japanese Air Units in the New Guinea area heavily bombed Soride Airfield on Wiak Island at 8:30 p.m. on July 30 and also fiercely battered the enemy airfield at Owi lying off Wiak Island at 8:40 p.m. the same day. At about 9:30 p.m. the Japanese again attacked Owi airfield inflicting tremendous damage to enemy facilities. Due to the darkness, however, exact war results could not be ascertained. Shortly after 9 p.m. on the same day, other Japanese Air Units twice bombed the enemy airfield on Numfor Island. In defiance of terrific enemy anti-aircraft gunfire and myriad searchlights, the Japanese raiders furiously pounded the shelter sections as well as the runway. Carrying out another vigorous attack, the Japanese succeeded in setting ablaze five places at Kameri airfield on Numfor Island.

50 PLANES BAGGED IN KWEILIN ATTACK

Enemy Caught Completely Off-guard on August 1 by Nippon Wild Eagles

By J. TSUTSUMI
Of the Military Press Corps

CONTINENTAL BASE, August 3.—The Japanese raid on Kweilin on Tuesday night caught the enemy completely by surprise despite the fact that the Japanese had been smashing at Kweilin, Liuchow and the bases hinged on them, in a series of devastating attacks.

The Japanese bombers roared into the air above the southwest airfield of Kweilin at 10:10 p.m. Apparently in panic the enemy lighted up the field and began pulling planes with their wing lights on up the runways and ways leading to them. Two P-40's also came up.

The Japanese, however, started their attack on the confused enemy and the No. 1 plane set ablaze three large planes and four small planes and damaged another large plane and five small planes, a total of 13 planes blasted at a stroke. This exploit was scored by Captain Nobukata Murai, known for his unsurpassed abilities among the bombers and who is always given the lead when attacks against the enemy are carried out.

The enemy began to shoot up a crazy hail of anti-aircraft fire. The Japanese planes tore through the curtain of fire and diving to super low level damaged and set ablaze a total of 44 enemy planes, almost wiping out the whole of the enemy planes at the airfield.

Meanwhile, another Japanese squadron surprise-raided the south airfield and set ablaze three planes and damaged three. Fifty planes were thus bagged in the two raids.

Still other Japanese Air Units smashed at Liuchow and Tanchuk, where they overcame intense anti-aircraft fire and scored considerable results. Results were not ascertainable because of the darkness.

Captain Murai, who piloted the No.1 plane in the Kweilin attack, when interviewed back at the base, said that the enemy air forces always allowed themselves to be surprise-raided, possibly because they neglected anti-aircraft measures despite the blows the Japanese had delivered.

"They fire their anti-aircraft guns furiously but they light up and put out their searchlights in great panic after we are over them and you can see how off-guard they are," Captain Murai said. "The fact that the enemy continues to replenish his planes in the advance bases no matter how hard and often he is hit is probably based on his desire to prevent somehow a complete withdrawal from these bases. But these efforts are vain. It is pitiful that the enemy's efforts are like pouring in water to a bottomless pit."

1,392 Red Planes Downed

Domei

BERLIN, August 2.—A total of 1,392 Soviet planes were brought down by the German forces over the Eastern Front during July, authoritative German quarters announced today. Of this figure, 299 were shot down by German flak batteries and the rest by German fighters. During the same period, German losses amounted to only 1 per cent of the entire air force employed on the Eastern Front.

113 ENEMY AIRCRAFT SMASHED, SET AFIRE AT 3 BASES IN CHINA

Imperial Headquarters Reveals New Devastating Attack on Kweilin, Liuchow, Chihkiang

Units of the Imperial Japanese Air Force in the China area damaged and set ablaze a total of 113 planes of the China-based U.S air force besides blasting and setting ablaze the airfield installations at more than 16 places, on July 29, 31 and August 1, in their vigorous night attacks against the enemy air fields at Kweilin, Liuchow and Chihkiang in Kwangsi and Hunan provinces, thus succeeding in smashing the powerful U.S. air strength that had been concentrated at the above three bases, the Imperial Headquarters announced in its communique issued at 3 p.m. Thursday.

From these brilliant attacks, one Japanese plane has not yet returned, the communique revealed.

The communique follows:

IMPERIAL HEADQUARTERS' COMMUNIQUE
3 p.m. August 3

"Our Air Units in the China area repeatedly stormed over Kweilin, Liuchow and Chihkiang on July 29, 31 and August 1 and smashed the powerful U.S. air force that was being concentrated at these airfields.

"The composite war results achieved in the foregoing attacks, known up to the present, follow:

"1—Losses Inflicted on Enemy:
  Aircraft destroyed and set ablaze
    38 large-size planes
    74 small-size planes
    1 plane of unidentified category
Total 113 planes
  Airfield facilities blasted and set ablaze at more than 16 places.

"2—Loss on Our Side:
  One plane not yet returned."

New Air Results Gained

As was announced by the Imperial Headquarters, Japanese Army Air Units in the China area again achieved brilliant war results in their death-defying assaults on the enemy airfields at Liuchow and Kweilin in Kwangsi Province and Chihkiang in Hunan Province on July 29, 31 and August 1, when they destroyed the powerful U.S. air strength at these places aggregating 113 large and small-size planes which were damaged and set ablaze. In addition, the Japanese also scored numerous direct hits on the airfield facilities, blasting and setting ablaze more than 16 places.

Continuously engaging in annihilative operations against the China-based U.S. air force in close cooperation with the ground operations relentlessly being carried out by the Japanese Units in Central and South China, the crack units of the Japanese Air Force that had attacked the advance enemy air bases at Liuchow, Kweilin and Chihkiang on July 27 and 28 blasting a total of 119 enemy planes, again gallantly launched fierce night attacks on Liuchow and Chihkiang airfields on July 29. Defying the intense enemy A-A gunfire, the Japanese attackers blasted and set ablaze two large-size enemy planes and nine other smaller planes. All of the Japanese planes returned safely.

On the afternoon of the same day, a unit of the Japanese Air Force surprise-attacked the enemy airfield at Wuchow and heavily bombed the runway, the use of which was temporarily paralyzed.

Taking advantage of the bright moonlight, the Japanese Army planes, on July 31, again heavily attacked Liuchow airfield where they demolished a total of 23 large and small enemy aircraft. Before returning to their base safely, the Japanese also blasted the military installations on the airfield at five places. At about the same time, other Japanese air formations surprise-raided the U.S. advance base at Kweilin, blasting three large-size planes and destroying airfield facilities at five places which were immediately enveloped in flames. From this attack, one Japanese plane failed to return.

Tanchuk, Enshih Also Hit

Over the airfield at Tanchuk, another unit of the Japanese Army Air Force made a storming attack and set ablaze three planes in ad-

(Continued on Page 2 Col. 7)

RAINS SLOW DOWN FIGHTING IN BURMA

Our Forces Smashing Enemy Plan to Open Ledo Road—War Situation Reviewed

Not much activity has been seen recently in the Burma theater of war due to the rainy season and other factors. Furious fighting, however, is continuing in northern Burma, Myitkyina and in front of the Nu River. These operations indicate that the enemy is aiming at the opening of the Ledo route. The advance to Assam by the enemy's 10th air division is also an indication of this aim. Despite it being the rainy season, the enemy air forces are cooperating with the ground forces and directing their efforts toward improving air transportation between India and China.

There are four battlefields in this area. The first is in the sector fronting Akyab, the second the sector fronting Imphal, the third in Fukawng sector and the fourth is in the Nu River sector. Fighting is going on at present with the aim to smash the enemy's plan to open the Ledo Road. The situation in the four principal sectors is as follows:

Is Not Very Active

In the sector facing Akyab: The Japanese Forces in this area face the enemy on a line extending from the northwest of Buthidaung to the north of Buthidaung to a point about 10 kilometers south of Maungdaw. The enemy in this area numbers about two divisions and is not very active. No remarkable movements have been observed nearby. The Japanese Forces are in contact with a small number of enemy troops in the Kaladan Valley at a point about three kilometers off the border. The enemy in this section, too, is not very active.

In the sector fronting Imphal: The enemy's plan to invade Burma from this direction was smashed with severe damage dealt the enemy in the plains around Imphal and in the central portion of the Imphal-Kohima Road. The first line at the present extends from a sector south of Wukululu in the northwest to the Palel-Tammu Road in the southeast to a point near the bottleneck of the Bishenpur-Tonzan Road in the south. The Japanese Forces are facing the enemy along this line. The enemy is inactive.

The sector south of Fukawng: The Japanese Forces have occupied strategic points east and west of Ninuta, about 40 kilometers south of Kamain and are facing the Chungking forces, which advanced from the Fukawng area, the West African forces and the enemy paratroop remnants which withdrew northward from the Katha area. The fighting power of the enemy in the frontal section here had been cut down to half. Already losses of 50,000 have been suffered by two Chungking divisions, one paratroop brigade and one West African division. The enemy apparently is organizing his troops, gathering his main strength at places such as Mogawin and Kamain, and there is not much activity. The town of Myitkyina is being maintained by the Japanese Forces, and furious fighting is going on against the enemy. The enemy which moved to Myitkyina has had its strength cut down considerably and at present there are only two Chungking divisions, two paratroop brigades and one American brigade.

Foe Dealt Heavy Blows

In the sector facing the Nu River: The strategic points such as Tengyueh, Loming, Lungliang, Mangshih and Pingyu are being maintained and the enemy forces that filter in are being caught and dealt serious losses. The enemy around Tengyueh numbers three divisions, around Loming one division, around Lungliang four divisions, and around Pingyu two divisions. Against this superior-numbered enemy the Japanese Forces are dealing enormous damage. The Ledo Road connects Myitkyina with the Lungliang and Loming areas and even though the enemy were to succeed in opening the road in Burmese territory it will be impossible for him to clear the road to areas east of the border as long as the Japanese Forces are holding the area in front of the Nu River.

The air operations, too, are not so active but the enemy is taking advantage of clear-weather spells to cooperate with the operations in the Fukawng area with his main strength and is also directing feverish efforts for improving air transportation between India and China. The advance of the 10th air division to Assam is also an indication of this. That the enemy is directing all his efforts toward this direction is shown by the fact that the enemy air force in China recovers its fighting strength comparatively quickly despite the staggering blows delivered to it by the Japanese Air Force.

The Japanese Forces are also taking advantage of clear spells to raid the Myitkyina airfield and various landing points and are scoring considerable results. The Indian National Army, too, is continuing to fight powerfully in cooperation with the Japanese Forces and its activity in the sector fronting Palel and in the Kaladan Valley is remarkable.

Press Comments

Thursday, August 3

DEVELOPMENT OF EASTERN FRONT AND GERMANY'S COUNTER-ATTACK

YOMIURI-HOCHI—The Reich-Soviet war situation has progressed into a grave phase. The Red Army, while turning toward Riga in Latvia, is at the same time planning to cut off the railway connections south of that area. It is ready to make an encircling attack against Eastern Prussia from the northeast, east, and southeast, and while exhibiting a careful attitude toward the attack on Warsaw, it has already advanced to a point 10 kilometers of the city.

The German authorities have announced their two-front strategies, in east and west, as follows: In the east, the wide territory extending between the field of battle and Germany will be considered as their reserve strength. In the west, they will concentrate large mobile units and deal the Anglo-American forces so annihilative a blow as to make them lose their fighting will, making the fighting a decisive one.

However, for this plan to reach materialization, the following conditions must be fulfilled: In the first place, Germany must deal an annihilative blow to the Anglo-Americans while the latter are still in the midst of their preparations for an offensive; in the second place, she must employ her "reserve strength" as effectively as possible, hindering the attacking speed of the Red Army forces.

The valiant fighting and fierce struggle put up by the German forces in the west is truly spectacular. On the Eastern Front, strong German counter-thrusts are being witnessed, although in the general trend there is no change in the advance of the Red Army. German experts say that when the troops now fighting join the reserve forces being kept in readiness, that will be the time for a large-scale counter-offensive. Moreover, Reichs Propaganda Minister Dr. Goebbels forecasts the employment of new weapons on the Eastern Front, and thus this counter-offensive will likely mark a great turning-point.

GERMAN FORCES BLAST OVER 90 ENEMY VESSELS

Naval, Air Force Results for July Are Bared; Luftwaffe Downs 1,830 Aircraft

Domei

LISBON, August 1.—The German Navy and Luftwaffe in the month of July sank 25 enemy freighters and transports totaling 149,000 tons and damaged 20 transports totaling 110,000 tons.

Moreover, two enemy cruisers, 10 destroyers, one frigate and one minesweeper, two escort vessels and 11 E-boats were sunk. One battleship, four cruisers, 11 destroyers, one torpedo-boat, two special landing ships and several E-boats were damaged, some of them severely by bombs, torpedoes and artillery hits.

In the same month, 196 enemy aircraft were downed by German naval flak, flak stationed on board merchantmen and by flak artillery of the naval command.

The Luftwaffe shot down 1,836 British and American planes, of which 1,236 were four-engined bombers in July. The majority of these planes were shot down over Reich territory. Thus, in the last four weeks, the British and American air forces again lost more than 12,000 air men. This fact clearly contradicts the Anglo-American assertion that their air forces are gradually gaining the control of the air in Europe.

ENEMY PLANES DESTROY WORKS OF ART IN ITALY

Domei

BERLIN, August 1.—Once again numerous irreplaceable works of art and precious buildings were destroyed yesterday when Anglo-American terror raiders attacked several towns in the Italian province of Emilia, according to the North Italian radio.

The Palazo dei Diamanti at Ferrara which is named after the 12,600 diamonds decorating the front of the palace was heavily damaged as well as the picture gallery within the palace.

At Modena, two loggias of the old Duke's palace were wrecked and the San Domenico Church opposite the palace was likewise destroyed in the terror raid. The same fate was suffered by the famous Santa Maria della Purificazione Church.

ENEMY IN HENGYANG FACES ANNIHILATION

Cowardly Conduct of American Officers in Beleaguered City Is Described

Domei

SHANGHAI, August 1.—That annihilation is now definitely the fate of the Chungking troops defending Hengyang which is surrounded by the Japanese Forces on all sides is the statement made by the commander of a certain unit operating on the Hunan front in the course of a press interview he gave today upon his arrival here by plane on business.

He also revealed that there are American officers within the beleaguered walled city of Hengyang, whose business is to watch over the Chinese defenders of the doomed town. He disclosed also that Chinese people, not Japanese military establishments, are suffering from the indiscriminate bombing of the American air force in China.

The commander's statement to the press in substance follows:

"Under strict orders from Chiang Kai-shek the Chungking forces defending Hengyang keep on fighting desperately. But their fate, that of annihilation, has become definite.

American Officers Present

"We wondered how it was that these Chinese troops should be putting up such a stiff resistance, and our investigation brought to light that there are at least 60 American officers in the headquarters of the defenders of the town which is in the basement of the office of the Bank of China in the heart of the town, and that these Americans are watching closely over the men in command of the troops defending the town and exerting pressure to bear upon them to keep up the struggle against the will of the Chungking army.

"On this front too the Chungking army is allowing itself to be foolish enough to make itself a puppet in the hands of the Americans and to fight for them.

"We have heard of cases where troops of the Chungking army in the firing lines in the Hengyang area were unable either to retreat or advance and unfortunate enough to do acts that served to hasten their destruction.

"It is impossible for us not to fly into a furious rage at the Americans who are the root-cause of all the misery with which the Chinese within the doomed city of Hengyang is afflicted.

"The men of the American air force in China are imbeciles. Their bombing is literally haphazard and indiscriminate. It is not Japanese military establishment but unoffending Chinese people that are the sufferers from these inhumane practices of the American fliers in China.

"On a certain day American airmen came to attack Changsha. There was no damage on our side apart from a man who was slightly wounded. On the other hand the raiders razed to the ground 3,000 houses occupied by Chinese. In other words, they destroyed one-fifth of the houses of the city.

"The residents of the city saw with their own eyes these outrageous acts of the American air force, and a violent storm of indignation at the Americans has since been sweeping over the entire city.

Sharp Contrast Cited

"The practices of the Japanese Air Force present a sharp contrast with those of American airmen in China. Japanese airmen attacked Changsha repeatedly before it fell to us. We have yet to hear of any case where they caused any damage to the residents of the city. I am not exaggerating when I say that no bomb released by these Japanese missed the mark, which always was some establishment of military value.

"Compared to the Japanese airmen the men of the American air force in China are idiots, and we sometimes wonder whether they know anything of the art of flying."

CHIANG MONEY SITUATION GROWING MORE PERILOUS

Special to the Nippon Times

LISBON, August 3.—The Chungking monetary situation is growing still more perilous, with the lowering of the exchange rate for foreign diplomats, missionaries and cultural institutions from 160 Chungking dollars to a pound to 600 dollars a pound being contemplated, according to a recent report in the Financial Times.

The Financial Times report said: "It was in September of last year that the first concession was made in the rate, then being equivalent to the official rate, plus a subsidy of 50 per cent in respect to foreign diplomats and consular expenditures, educational institutions, missionary and charitable organizations, newspaper correspondents and the military personnel of the anti-Axis nations. This indicated recognition by the Chungking authorities of the situation provoked by the absurdity of high prices ruling and it meant, of course, an effective exchange rate for those particular payments was two pence instead of three pence.

"Then in February of this year the discount on Chungking dollars for all remittances was doubled, the effective rate of exchange for such payments becoming one and a half to a dollar, 160 to a pound, or exactly half the official rate. Even that figure was considered to be completely out of touch with reality and the true parity which was then changing almost daily and always in the same direction. Therefore, the latest contemplated step represents the most severe depreciation of the Chungking dollar, making it worth less than a half penny, two-fifths of a pence to be exact, and raising the subsidy to 575 per cent."

U.S. Bomb Killed Lieut.-General McNair, Says Startling Eisenhower Disclosure

Domei

LISBON, August 2.—The amazing revelation that an American bomb dropped short of its target killed Lieutenant-General Lesley J. McNair, former commander of the United States army ground forces in Normandy, on July 25 was announced by the United States War Department today, according to a Washington dispatch.

The disclosure was made in the report from General Dwight Eisenhower, Commander-in-Chief of the anti-Axis invasion forces, which said, "A full investigation developed the fact that McNair died as a result of an explosion by one of our own bombs."

It was revealed that about 50 planes from the combined bombardment force of the American 8th and 9th air forces had dropped their bombs into the American sector short of the target area causing heavy casualties.

Bede Irvin, United Press photographer, was killed by the same premature release of bombs, the dispatch said.

Poor Aim Protested

Domei

STOCKHOLM, August 1.—A protest against the poor aim of the American air forces and a bitter demand that they change their tactics have been made by the American Second Army, led by Lieutenant-General Omar Bradley, according to reports received here. Bradley's forces were embittered because, among other things, they suffered casualties in the concentrated "coordinated" bombing carried out by the U.S. air forces in support of the Saint-Lo area on July 25.

To handle the protest of the land forces a meeting was held in London on July 26 among Major-General Lewis Brereton, Commander of the American Ninth Air Corps, Lieutenant-General Carl Spaatz, Commander of the tactical bombing forces, and Lieutenant-General James Doolittle, Commander of the Eighth Air Force. According to a United Press dispatch from London, they admitted after the conference that the land forces had protested. The protest, they said, was made because the American forces are not able swiftly to break through the German positions immediately after the large-scale bombing carried out by the American air force in coordination with the new offensive on the Normandy front.

They said that the bombs were concentrated on an area 9,000 yards long by 2,000 yards wide and that most of the bombs were dropped on the stipulated area. But, they admitted, some bombs were dropped as much as 10,000 yards this side of the target area and casualties were caused to American forces. The bombs were of a large type and dug big craters, thus impeding the swift advance of the Americans, they declared, and it has thus been decided to use 100-pound bombs hereafter.

OUR FLIERS' SKILL IN RAIDS STRESSED

Enemy No Match for Japanese Who Continue to Destroy His Air Bases

By J. TSUTSUMI
Of the Military Press Corps

CONTINENTAL BASE, August 1.—That the Japanese fliers are far superior to the enemy in skill is clearly shown when a comparison is made between the results scored by the Japanese and American airmen. The operations of the Japanese airmen, who are carrying out raids against enemy advance bases in rapid succession and dealing them crushing blows, are also proof of the unsurpassed, high morale of the Japanese Forces. In these raids the Japanese tear through the enemy's fierce defensive fire and always destroy almost all of the planes the enemy has.

The weather is not always clear when these attacks are launched. There are times when the Japanese must operate through terribly adverse conditions. Sometimes it is so dark that the sky and earth cannot be told apart. But through such conditions, the airmen smash at the enemy and through efficient bombing reduce the enemy's treasured new planes to ashes.

When the battle results scored by the Japanese are compared with the results scored by the enemy in his persistent night bimbings made in a futile attempt to bring about a recovery, it is clearly shown that the difference in skill between the Japanese and the enemy is as great as that between the sky and the earth.

The enemy, at that time, sometimes carried out repeated raids over a long period of time. But always his bombs missed hitting important establishments. The Japanese sustained no damage, and when they did it was negligible. Absolutely no Japanese planes were lost. The difference in skill thus proved is considered amazing.

The enemy on the continent has more planes than the Japanese, it is believed, but as regards quality the Japanese planes are superior to those of the enemy. Despite that fact, the enemy is aiming to launch a counter-offensive by gathering new planes. The enemy's fighting spirit, too, has recently become one which cannot be sneered at, and even though it be a spirit born of desperation, it cannot be denied that he is aiming intensely at a counter-offensive. The vast superiority of the Japanese results over those of the enemy under such conditions are due entirely to the unsurpassed fighting spirit of the Japanese and their superior technique.

AMERICANS FOILED IN NORMANDY AREA

All Attacks Between Villedieu And Avranches Withstood By German Troops

Domei

BERLIN, August 2.—Embittered fighting was waged all along the entire Normandy beachhead front between the area southeast of the Orne estuary and the Avranches area.

In the sector west of Vire, the Germans established new positions along the important highway running diagonally from Caen past St. Martin des Besaces to Villedieu from where German troops withstood all American attacks.

Between Villedieu and Avranches, the Americans renewed their large-scale attack with several tank divisions and mechanized formations aiming at a breakthrough into the depth of the western French area. Their spearheads advanced no farther than Pontorson where they were engaged in heavy fighting.

The American tank thrust made southwestward from Avranches was attacked by a relatively small German fighting group which, however, destroyed over half of the enemy tanks and chased the rest away. Also east of Avranches 34 American tanks were put out of action. In the remaining sectors west of Vire, German resistance positions continually split up the American attacks and inflicted severe losses. In this sector alone, altogether more than 83 American tanks were destroyed yesterday.

Meanwhile, southeast of Caen the British attack launched with strong infantry and tank forces after several hours of heavy drumfire was repulsed. The British made few small dents between Bourgebus and May Sur Orne, but were soon thrown back. Fighting is still going on for the hill near St. Martin.

YANKEES TO SHOULDER BIG TAX BURDEN IN 1945

Almost 89 Billion Dollars For War Will Be Spent, Budget Director Declares

Domei

LISBON, August 2.—Budget Director Harold D. Smith estimated today that the United States will spend $88,900,000,000 for the war in the fiscal year begun on July 1, according to a Washington dispatch.

Also, in presenting the revised estimates of the federal finances for the year, Smith said that the American taxpayers will contribute toward that sum the largest Government "take" on record.

Smith's revised figures increased by nearly $5,000,000,000 his January estimate of net receipts, from $40,769,000,000 to $45,663,000,000. Net receipts in the fiscal year ended June 30 totalled $44,149,000,000, double the preceding year.

Except for employment taxes, which the Congress failed to increase, and customs, Smith revised upward all his tax estimates. Direct taxes on individuals he estimated at $18,935,000,000 instead of $18,113,000,000 but still below the $20,290,000,000 actually collected in the last fiscal year when the adoption of the "pay as you go plan" caused unusual collections.

Other tax estimates, compared with January estimates were: direct taxes on corporations, $16,580,000,000 and $15,404,000,000; excise taxes, $5,637,000,000 and $4,257,000,000; employment taxes, $2,081,000,000 and $3,183,000,000; customs $362,000,000 and $438,000,000; miscellaneous receipts, $3,643,000,000 and $2,037,000,000. This brings the total receipts to $47,246,000,000, but a deduction of $1,583,000,000 for the Federal Old Age and Survivors' insurance trust fund reduces the net to $45,663,000,000.

About $1,000,000,000 of the increase in the miscellaneous receipts results from a higher estimate of the amount is to be returned to the Government through contract renegotiation.

NETAJI BOSE HAILS BA MAW AS LEADER

Thanks Burmese Nation For Help and Cooperation Given Azad Hind Army

Domei

SOMEWHERE IN BURMA, August 1.—Subhas Chandra Bose, head of the Provisional Government of Azad Hind, in a congratulatory radio address on the occasion of Burma's Independence Day today expressed profound gratitude to the Government and the people of Burma for the help and cooperation given the Indian National Government in its struggle for India's freedom and conveyed to the Burmese nation, headed by Head of State and Prime Minister Dr. Ba Maw, best wishes for everlasting peace and prosperity.

The Netaji's address follows:

"Nearly 20 years ago when I was a prisoner in Mandalay jail, I would often gaze at the palace of the last independent king of Burma from the balcony of my cell. As I gazed at the golden spire of King Thebaw's palace peering above the green trees and silhouetted against the blue sky, I would often wonder when the day would come that would see Burma free once again.

"Two and a half years ago when the War of Greater East Asia broke out, few men would have been bold enough to predict that within a few months the British would be thrown out of Burma altogether. But the unexpected did happen. Taking advantage of the entry of the Japanese Army into Burma accompanied by Burma's Independence Army, the masses rose against the British.

"The wholehearted cooperation of the Burmese nation with the incoming Japanese troops for the overthrow of the common enemy was an event of remarkable significance. Thanks to the help, cooperation and generosity of Japan, Burma regained her independence on August 1, 1943, and since then has been taking rapid strides along the path of national reconstruction.

"In His Excellency, Prime Minister Ba Maw, the Burmese people have a worthy leader and a statesman of outstanding ability to guide the ship of State through these difficult times. There can be no doubt, therefore, that Burma has commenced a new chapter in her history—an era of glorious independence—under the most favorable auspices.

"Speaking on behalf of all freedom loving Indians of the world and in particular of the Provisional Government of Azad Hind, the Indian National Army and myself, I wish to convey my most heartfelt congratulations to the Burmese nation on the independence that they have won and my sincerest good wishes for everlasting freedom and prosperity of their country.

"In the past, the British used enslaved India as a base for operations against Burma. Burma fell to the British after India had been subjugated. But the wheels of history have turned in such a way that Burma stole a march over India and was the first to be liberated.

"Liberated Burma has been magnanimous enough to extend all-out aid to us in our struggle for India's freedom. I convey my profound gratitude to the Government and the people of Burma for the sympathetic help and cooperation that they are giving us in so generous a measure in one of the darkest hours in our history. It is only by trying to serve Burma to the best of our ability while we are engaged in the struggle for our own freedom that we can lay the foundation for eternal friendship between our two nations.

"It is not difficult for us Indians to win the hearts of the Burmese people if we cherish a love for them and do our best to serve them. We can never forget that India's struggle is one part of a great fight for the emancipation of Asia. Therefore, while in the midst of this terrible war we must go on building the foundation of a new order, not only for our own country but for Asia as well. The spirit of deep comradeship which now prevails between the freedom-fighters of Burma and India is the surest guarantee that the Burmese and the Indians will be friends for all time."

113 Enemy Aircraft Smashed, Set Afire At 3 Bases in China

(Continued From Page 1)

dition to blasting the airfield installations at two places.

Meanwhile, other groups of our Army planes attacked the enemy airfield at Enshih in Hupei Province where they destroyed the runway.

It was on August 1 that the Japanese Army Air Units again attacked Kweilin airfield and, in one blow, set ablaze and damaged a total of 50 planes. Fires also broke out at two military installations. The second attack of the same day was directed at the airfield at Liuchow where the Japanese succeeded in blasting a total of seven planes. Meanwhile, Chihkiang airfield was also heavily attacked by the Japanese Army planes which destroyed and set ablaze a total of 16 planes and blasted the airfield installations at four places. A group of Japanese planes, on the same day again launched a vigorous attack on Tanchuk airfield and heavily bombed the runway.

With the unending dauntless onslaughts of the Japanese Air Units, the U.S. air force in China that had already sustained tremendous damage, has recently been struggling to reinforce its strength from India despite the numerous devastating blows repeatedly struck by the Japanese at the various enemy advance bases on the China continent.

But, it is certain that when the U.S. air force brings more planes to the China area, it will be a good opportunity as well as an easy task for the Japanese to deliver new crushing blows to the enemy.

Fuehrer's Headquarters

August 2

South of Caen the enemy attacks, supported by tanks and strong artillery fire, collapsed with heavy losses inflicted on the attackers. On both sides of the Moyon and in the Percy-Villedieu area all anti-Axis attacks were smashed. Thirty enemy tanks were destroyed. Heavy fighting with advancing enemy tank formations is in progress and at Avranches our forces destroyed 34 enemy tanks. Last night German bombers with telling effect attacked the enemy spearheads and villages where enemy troops were billeted.

In the French area 102 terrorists were wiped out.

Retaliation fire on London is being continued.

In Italy all enemy attempts at breaking through southwest and south of Florence were foiled. Enemy artillery yesterday shelled Florence despite the fact that the city is not being utilized by the German High Command in any military respect. No German troops are in Florence. The historic Leaning Tower of Pisa, in the vicinity of which there are no military objectives, was damaged by enemy artillery fire.

Our torpedo-planes attacked an enemy convoy off the North African coast. In the course of the attack four enemy freighters totaling 26,000 tons were blasted together with one destroyer. Moreover, seven merchantmen totaling 49,000 tons were torpedoed.

Fighting against the Communist bandits in the Balkans during July resulted in exceptionally heavy losses for the bandits. They lost 13,000 dead. 3,800 soldiers who had been taken as well as numerous light and heavy infantry weapons. More than 20 big supply and ammunition dumps were seized or destroyed.

In the northern slopes of the Carpathians the enemy forces, advancing toward the Beskudes Pass, were thrown back in a counter-attack. Further toward the northwest there was heavy local fighting in the forefield of the Carpathians, especially in the area west of Sambor and at Reichshof.

In the big Vistula bend numerous enemy attacks were repelled. German counter-attacks are under way against the enemy bridgehead south of Warsaw. German battleplanes on the Vistula sank 28 Soviet ferries crammed with troops. Northwest of Warsaw troops of the German army and Waffen SS, supported by battleplanes, threw the Soviets back in counter-thrusts. Heavy, fluctuating fighting is going on between the forests of Augustovo and the Memel. Kalvaria and Vilkovishko were lost.

The southern part of Mitau in southern Latvia where heavy fighting had been going on for several days was evacuated after all the bridges were blown up. Between the Dvina and the Gulf of Finland several local Soviet attacks were frustrated.

WEAK RESISTANCE OF CHUNGKING HIT

Regime's War Defeats Due to Corrupt Methods Used by Officials, It Is Said

Domei

CANTON, August 1.—A great sensation has been caused in all quarters of Kweilin by the simultaneous publication in the Ta Kung Pao, the Sao Tang Pao, the Li Pao and other newspapers of a "letter to the people" in which the corrupt methods of the Chungking officials are pointed out in bitter attack by the Kweilin Cultural Society, an organization composed of the cultural leaders of that city, according to reports reaching here.

Particularly stressing the serious defects in the anti-Japanese resistance structure of Chungking, the society declared that soon the Japanese Forces would obtain possession of the entire Canton-Hankow Railway which connects southern and northern China in the face of Chungking's weak resistance.

The gist of the letter follows:

"Will the Japanese advance end with the gaining of the Hunan-Kwangsi Railway? We must observe this great offensive of the Japanese Forces with close and most serious attention.

"What about the unrest and uneasiness of the people under Chungking rule, the widely spreading defeatist idea, and the attitude of ready retreat?

"In the seven years of resistance against Japan, we have learned many lessons. But while on the firing lines we are fighting deadly battles, on the home front we are indulging in all kinds of pleasures; in contrast to the bloody scenes on the firing lines, on the home front there is nothing but corruption and confusion. Thus the actual condition of our 'resistance structure' is clearly revealed.

"The movements which are being pushed under the slogans 'Military Affairs First' and 'Victory First' are now facing a great crisis. Contributions for the officers and men on the front are squeezed from the scanty pockets of coolies and the poor, but not a single coin comes from the corrupt and greedy officials.

"If things continue in this way, it will be impossible to check the waves of the Japanese advance and the Canton-Hankow Railway will be smashed, not by the swords of the Japanese Army but by our own weak resistance structure."

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BA HAN ENDS TOUR OF ASIA COUNTRIES

Greeted in Rangoon by Sawada, Ogawa, Burmese Officials; Lauds Japan

Domei

RANGOON, August 2.—Dr. Ba Han, and other members of the Burmese Special Research Commission returned here this morning after their three-month inspection tour of Japan and other countries of Greater East Asia. They were welcomed home by Japanese Ambassador Renzo Sawada, Dr. Gotaro Ogawa, Supreme Economic Adviser and many Burmese officials.

Regarding the results of the Special Research Commission's tour and and the impressions gained during the visits to various countries in East Asia, Dr. Ba Han, Head of the Commission, declared:

"The trip was a great success, due to the kindness of the Japanese Government and people. We have also visited Manchoukuo, China, the Philippines, Java, Sumatra, Thailand and French Indo-China, and conferred with the leaders of the respective countries.

"What particularly impressed me during the recent trip were the signs indicating that Greater East Asia is one. I have heard of that expression many times before, but now I have actually realized it. Upon my return home, I was struck anew by the close ties binding Japan and Burma.

"The Japanese are determinedly fighting the present war, each making his sphere of activity his battle field. They are conquering all the difficulties they encounter on their grand march to final victory."

TOTAL DEFENSE MEASURES ARE COMPLETED BY MANILA

Over 16,000 First-Aiders Pass Rigid Tests; Doctors Volunteer as Instructors

Domei

MANILA, August 2.—Total defense measures by the entire civilian population against possible enemy terror raids have been completed. As one phase, to date more than 16,000 first-aiders have been trained for the Manila area in connection with the program of the Civilian Protection Service. In the training conducted by the city of Manila, the Red Cross and Bureau of Health emergency workers received instruction in practical relief and first-aid duties from competent medical supervisors and have been officially certified for duty after passing rigid tests.

Directly supervised by the Director of the Bureau of Health in his capacity as Chief of the Civilian Protection Service Medical Unit, numerous training centers have been set up throughout the city with the neighborhood associations as the nucleus.

Meanwhile, with the training of more workers continuing, many medical practitioners are offering wholehearted cooperation by volunteering as instructors. The Bureau of Health some time ago distributed illustrated pamphlets containing instructions on medical and first-aid work.

The provinces, too, are not lagging behind in making adequate preparations to meet indiscriminate bombings of the enemy, as more than 40,000 persons have finished training in first aid. In line with the first-aid training, the making of stretchers and bandages is also being pushed.

ABE LEAVES FOR CHOSEN

Governor-General Says He Aims To Boost Fighting Power

General Nobuyuki Abe, the new Governor-General of Chosen, declared to the press Thursday that the urgent questions confronting the administration of Chosen will be the increase of fighting power and the enhancement of the people's morale and all efforts will be exerted toward this end. He also made it clear that he will follow the policies set by former Governor-General General Kuniaki Koiso. General Abe was scheduled to leave Tokyo Station at 9 a.m. today for his post.

Governor-General Abe further stated, "Viewed from standpoints of human power and material resources, Chosen forms the most vital source of fighting power in the Japanese Empire. A rapid increase of Chosen fighting strength and exhibition of this strength to the fullest degree are absolutely essential for the attainment of final victory. The pursuance of such a policy will not only serve to advance the real potentiality of the people of Chosen but also will promote their well-being."

Youths of Japan and Burma Exchange Vows To Annihilate Common Enemy of East Asia

Youths Associations of Japan and Burma exchanged messages on August 1. The second anniversary of the establishment of the East Asia Youths Association of Burma coincides with the first anniversary of the attainment of Burma's independence and on this occasion U Ba Gaing, president of the Burmese Youths Assiciation, sent a message to the Japan Youths Association through the Foreign Office. In reply, General Takao Suzuki, head of the Youths Association, sent the following message through the Foreign Office:

"We hereby acknowledge with thanks the message sent to the Japan Youths Association on the occasion of the second anniversary of the founding of the Burmese East Asia Youths League expressing your unswerving determination to bring the War of Greater East Asia to a successful conclusion. The youths of Burma command the full respect and confidence of the youths of Japan. In view of the increasing degree of responsibility placed on the shoulders of the youths of Greater East Asia as the war gains in intensity, we are determined to advance hand-in-hand for the crushing of our common enemy and the liberation of East Asia from the yoke of Anglo-American domination, for the establishment of a truly Greater East Asia."

BURMA IS TRAINING VAST MOBILE ARMY

Aung San Perfecting Defenses To Guard East Asia's Western Gate

Domei

RANGON, August 1.—Entrusted with the gigantic task of defending the western gate of East Asia against Anglo-American attacks, Burma's mobile and hard-hitting army has been greatly expanded during the past year with the officers and men trained thoroughly in specialized combat tactics.

When Burma became an independent nation twelve months ago under the leadership of Prime Minister and Head of State Dr. Ba Maw, she sensed that in order to win the war against the Anglo-Americans, she must not be contented with a military organization that cannot smash any aggressor.

Burma today possesses a field force specially trained and fully equipped and instantly ready to be transported to any part of the country to hold the area against attack. The growth of this modern army of Burma owes much to the group of far-sighted officers like Major-General Aung San, Defense Minister who, for the past year, has been laying the foundations for the kind of army Burma needs.

The induction of a large number of Burmese youths who are born jungle-fighters into service under the amy's five-year plan, has greatly accelerated the development of a highly trained field force.

Watch Japanese Army

As one of the foremost revolutionists, General Aung San fled from his country prior to the outbreak of the War of Greater East Asia. Aung San and his colleagues who later became the founders of the "Fighting Peacock"—Burma Independent Army—had many opportunities of watching maneuvers in Japan by Japanese crack army troops. When Aung San and his fellow-officers returned to Burma immediately after the war broke out, Burma's army did not have adequate equipment. It was working and fighting with makeshift materials. However, today Burma's regular army provides the nucleus for coast and border defense. It provides officers to train men and form a basic structure upon which a large, well-equipped army may be built.

Many young officers who graduated from Burma's Military Academy are at present in Japan to study the way in which the mighty Imperial Japanese Army has been built up. Non-commissioned officers who went through years of war are hardy and weatherbeaten and they are the ones who are teaching the men how to fight.

One year ago Major-General Aung San was continually talking about Burma's army of the future with Shwe Maung, Commander-in-Chief of the Burmese Army, Be Yang Aung, Commander of the Western Division, and Baha Htu, Commander of the Northern Division. They watched the Japanese Forces and worked out in detail the technique employed in the fight against the Anglo-American troops from India.

Mobile Force Needed

In the defense of Burma the most urgent need is to develop a mobile army to attack the invaders from the north or south. Burma's troops must be transported rapidly to prevent surprise landings along the coast by the Anglo-Americans. Major-General Aug San knows well that Burma's troops must smash at the beachhead any Anglo-American advance before reinforcements can be shuttled across the Bay of Bengal.

Proud of their independence and determined to safeguard it to the last drop of blood, the officers of the Burmese army are daily training artillery-men, machine-gunners, infantrymen, engineers, and anti-air raid troops as well as learning new fighting tactics. Led by capable officers, the Burmese soldiers are daily undertaking rigorous training under the burning sun over all types of terrain. The infantrymen crawl from cover to cover with speed and precision.

The transportation of food and other material for an army advancing forty kilometers daily requires the most carefully calculated schedules. Over a network of communications, new additions to the Burmese army, orders and reports flow incessantly. The officers and men must hide trucks, armored cars and other vehicles from enemy aircraft until they are ready to move. They must also bear in mind a detailed picture of all geographical difficulties of every district over which the troops move at high speed. At mess the officers and men talk about little else. Duty comes first and the duty to defend the country is all that is occupying their minds.

Burma's formidable army coupled with the perfection in the near future of her sea and air arms, will give the nation a mighty military machine which will guarantee her integrity and growth as a modern sovereign state.

ANGLO-INDIAN RIFT CANNOT BE BRIDGED

Only Fight to the Finish Can Settle Issue, Says Azad Hind Spokesman

Domei

SHONAN, August 2.—The saliant feature of the latest House of Commons debate on India revealed the unmistakable fact that Britain and India are definitely at the parting of the ways, declared M. Sivaram, Spokesman of the Provisional Government of Azad Hind, commenting on the British Secretary for India Leopold Amery's statement of the policy of the British Government toward the Indian political situation.

The Spokesman declared: "Gandhi stands by his demand for the immediate recognition of India's complete independence and cessation of Britain's policy of bleeding India for the Anglo-American imperialistic war. Sir Stafford Cripps' proposals are discredited and rejected on all sides by the Indian public. The rift between Indian nationalism and British imperialism is much too wide; only a fight to the finish can settle the issue."

As for the debate itself, Sivaram described it as "just so much pompous prattle of the familiar British pattern—the typical British mixture of greed and pigheadedness." He added, "There is nothing surprising about the Commons' debate. It followed the usual form of an unending series of viewpoints, the inevitable stirring of platitudes and an imposing array of contrasts and contradictions, all knitted together in the muddled style of a nonstop talkie. The surprise would have been if all that talk did result in something constructive."

Reviewing some speeches by British Parliamentary members, Sivaram pointed out that obviously there was an air of caution and fear in the Commons—caution against offending India and fear of intensified anti-British revolution. He said that in spite of the divide-and-rule scheme and the grab-more dream of British political leaders, a sense of frustration in India is eloquently expressed by Frederick W. Pethick-Layrence, Labor member of Parliament, who admitted that Britain had to choose between two dangerous risks—the risk of keeping the Congress leaders in jail and the risk of releasing them.

The Spokesman concluded that obviously Amery has not made any special decision except to muddle through the situation, "and so the fight goes on—between determined India and desperate Britain."

NEW LIBRARY FOR WASEDA

The Shimanaka Library, which contains a collection of publications by the Chuo Koron Publishing Company, will soon be established within the Waseda University Library Building.

The entire library was presented to Waseda University by Yusaku Shimanaka, president of the Chuo Koron Sha, for use as reference material by research workers in the field of publications. Mr. Shimanaka was prompted to this decision for fear that cultural material in connection with publications during the Meiji and Taisho eras might become scattered due to the dissolution of the Shuppan Bunka Kenkyushitsu.

RESTORATION DAY FETED IN SHANGHAI

Mayor Chen Voices Resolve to Push Efforts to Build New China and Win War

Domei

SHANGHAI, August 3.—In a cheerful, festive mood, the citizens of Shanghai on Tuesday observed the first "National Restoration Day" commemorating the first anniversary of the return of foreign concessions in Shanghai to the National Government of China.

A ceremony was held at 9 a.m. at the new Municipal Office located within the former Municipal Council of the International Settlement attended by Mayor Chen Kung-po of the Shanghai Special Municipality and other Chinese and Japanese notables.

At 10 a.m., the Mayor laid the cornerstone of "The First Anniversary Restoration Commemoration Pavilion" to be constructed at the corner of Nanking Road.

Mayor Chen was host to several hundred prominent Shanghai citizens and representatives of Axis nations at a tea party held at the Cathay Hotel at 4 p.m.

All local schools and firms were closed for the day and the streets were filled with huge crowds. Cinema, concerts and swimming meets featured the day's events.

Meanwhile, Mayor Chen on Tuesday declared: "All obstacles in the way of carrying out Shanghai's administration have now been completely removed by the efforts of Chinese authorities and the sincere collaboration of Japanese authorities since the one year following the rendition of foreign concessions."

He asserted that Shanghai is now becoming a Greater Shanghai in name and reality. "I an impressed by the fact that Shanghai's municipal administration has become completely unified by the merger of the Shanghai Special Municipality and the first district administration today, showing that China is now enjoying complete independence," he added.

He then expressed his determination to do his utmost for the further progress in constructing a New Shanghai and a New China to the end that China will be able to contribute in the best manner possible toward the successful consummation of the War of Greater East Asia.

Voicing deep satisfaction on the occasion of the first anniversary of the rendition of the foreign concessions to China, the Central China Daily News in an editorial declared that this was merely the initial step toward the attainment of real freedom and equality yet to be completely attained by the painstaking perseverance on the part of the Chinese people.

Continuing, the journal said: "The Chinese must recall all that has passed in China's history and be on the alert for the further strengthening of the national spirit. Scrapping of unequal treaties foisted on China was due to the efforts of Japan and China in the present war which finally realized Dr. Sun Yat-sen's wishes.

"It can therefore be said that when China abolished her unequal treaties with foreign countries, it was the day of recovery for the East Asiatic races. China's Restoration Day can also be termed thus for all East Asiatic nations and not only for China.

"In this critical stage of war, when the Anglo-American know well that they have little chance of stepping into Asia once again and are desperately intensifyng their counter-offensive, all East Asiatics must exert their utmost to frustrate the enemy aims."

In conclusion, the paper urged the realization of general peace in China as soon as possible so as to leave "not one square inch of territory for the Anglo-Americans to use as bases for their counter-offensives."

Shonan Chinese Celebrate

Domei

SHONAN, August 3.—Joining the vast millions of China in celebrating "National Restoration Day," the 600,000 Chinese citizens of Shonan today in a befitting manner observed the first anniversary of the return of the foreign concessions in Shanghai to the National Government of China.

Press Organ in Peking

Domei

PEKING, August 2.—A strong and unified information organ to meet present exigencies will be formed with the establishment of the North China Press Association. An inaugural general meeting was held today at Hotel de Peking to decide on by-laws and officers of the Association.

Obituary

Rinshu Wada, 75, Professor Emeritus of Doshisha University, died on July 27 at his home in Kyoto. Graduating from the Literature Department of Tokyo Imperial University in 1898, Mr. Wada has successively filled such posts as head of the Preparatory Course, head of the Literature Department and the presidency of Doshisha University.

Burmese Nurse in P.I. Wants to Go Home And Serve Country Tending the Wounded

Domei

MANILA, August 1.—The eve of the first anniversary of Burmese independence found Miss Naw Ngweya, Burmese nurse, expressing her long pent-up desire to return to her native land in order to be able to serve the country in the course of the War of Greater East Asia.

Pointing out Burma's important role during the current war as the foremost frontline of defense of the Common Prosperity Region, Miss Naw, in an interview, declared: "My heart is always with my countrymen, especially my brothers and relatives serving in the armed forces which are now fighting the Anglo-Americans for the preservation of Burma's freedom as well as an Asia for the Asiatics, and who will continue the struggle till the enemy has been completely driven out of Asia."

Bitterly scoring the Anglo-American terror-raids on Burma and other East Asiatic countries, Miss Naw said: "I wish I were in my homeland so that in the capacity of nurse, I might tend the wounds of the soldiers injured on the battlefronts and cheer them up and help them recover so that they may be enabled to go back to the fighting zones. I could thus contribute my share to the total war effort of the nation."

"I am also anxious to go home," continued the Burmese nurse, "because I want to see my folks whom I have neither seen nor heard from since I arrived here five years ago."

Feels at Home

Adding that she was not at all worried about herself, she said: "I feel safe and well-protected among my good and hospitable fellow-Orientals, but I am simply eager to be with my own people."

Miss Naw, one of the three Burmese residents in the Philippines, is 28 years old and comes from a family belonging to the Karen tribe of Katiya in the Hinzada district of lower Burma. She arrived in Manila in 1939 with another Burmese girl, Miss Mavis Clara Isacke, 25, of Rangoon, to study nursing. It is said that nursing is a popular calling among the Burmese girls who are specially imbued with the spirit of service to all suffering humanity.

Miss Naw further revealed that recently she was requested to translate into the Burmese language President Jose P. Laurel's speech on Burma's Independence which was broadcast over the local radio station.

Aside from this, Miss Naw stated she has been devoting all her time toward the care of patients. When asked how she felt when Burma was granted independence last year, she declared she was overjoyed at such a benevolent act on the part of the Imperial Japanese Government in recognizing the Burmese people's right to enjoy the long-cherished freedom like other nations of the world, and added: "I shared in part the joy of my people when two and a half months later achieved independence. I knew my countrymen felt and displayed the same intense happiness on the day of Burmese independence."

Miss Naw concluded the interview by reiterating the desire to go home not only to see her folks, but above all, to be able to serve her country during these crucial moments.

Cable Briefs

300 WIVES STRANDED

The reckless marriages of Australian girls to American doughboys have resulted in 300 of their number, with their 78 babies, being parted from family and friends as they assembled at an Australian port to await transfer to the United States. Not a few are optimistically hoping that their husbands will be able to accompany them on leave so as to help them begin life anew in an alien country.

MORE YANKS STRIKE

American industry is again suffering a severe tie-up as strikes break out in various important industrial centers. The steel works in Illinois have been temporarily put out of commission as 4,300 workers of Granita City flatly refused to carry on. The Anaconda Wire and Steel Works in Indiana lie idle as approximately 1,100 employes are out on strike after the War Labor Board refused to raise their wages.

U.S. LABOR SHORTAGE

To the already harassed authorities, the War Manpower Commissioner on his return to the United States declared that American labor would have to produce 50,000 more workers by the end of the year to carry on in the munition factories.

FARM HANDS LACKING

Attesting to the acute shortage in farm labor, Major-General Lewis Hershey, Director of Selective Service, has announced that hereafter all farm boys will be taken off the preferred list by the ground force. Moreover, after the harvest season married men under 26 years with children will not be inducted. Older men are also being returned to the farms and about 65 per cent more have been granted deferment each month due to the great need of hands on the farms.

Posthumous Honors Awarded 2 Burmese By Lieut.-Gen. Kawabe

Domei

RANGOON, August 3.—On the occasion of the first anniversary of Burma's independence, Lieutenant-General Masakazu Kawabe, Supreme Commander of the Japanese Army in Burma, posthumously awarded letters of commendation to two Burmese civilians in recognition of their unsurpassed spirit of sacrifice and cooperation with the Imperial Japanese Army. The recipients of the letters of commendation were the bereft families of Maung Ke Maung of Poynta village in the Prome district, and U Chu Pe of Chanaw village in the Bassein district. The sum of 1,000 rupees was also granted to each by the Supreme Commander.

MANCHOUKUO TO UP OUTPUT OF TIMBER

Adopts Laws to Place Vital Forestry Industry on Full Wartime Footing

Domei

HSINKING, August 1.—In a move toward placing the production, distribution and organization of the forestry industry on a full wartime footing, the Government of Manchoukuo recently adopted principles guiding the reorganization of the forestry industry of the country. On the basis of these guiding principles, a law for the control of forestry products will be established and other related laws will be revised to bring about readjustment of the district of forestry administration and establishment of the Manchuria Forestry Products Corporation.

It is expected that the execution of these laws will boost the output of forestry products to an unprecedented level by solving the problem of various material shortages, which constituted the worst bottleneck hampering forestry production output, and by placing the responsibility of production on definite quarters.

The first step which will be taken is the designation of forestry lands throughout the country as important forestry products yielding areas. Suitable measures will be taken to increase production in these areas and, at the same time, control over the enterprise will be strengthened.

Bureaus which were heretofore more or less managed on an independent basis will be reorganized as outlying organizations of provincial offices where the forestry enterprise is important. In harmony with the greater production policy of the provincial office, these bureaus will be devoted to the administration and management of State-owned forestry lands.

In order to unify the supply of forestry products, the Government is dissolving such bodies as the Manchuria Forestry Products Company and the Manchuria Lumber Control Association and is establishing a new Forestry Products Corporation. This new corporation will be capitalized at 70,000,000 yuan.

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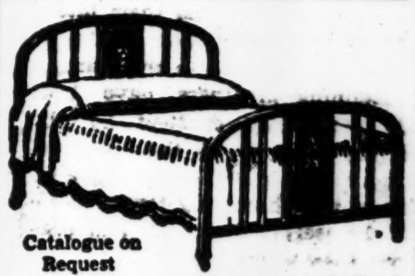

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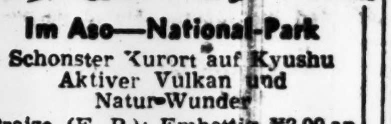

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TOKYO OFFICE:
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Telephone: Ginza (57) 303, 403, 5857, 5858, 5859, 7003.
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TOKYO, FRIDAY, AUGUST 4, 1944

Worthy of Consideration

The decision of President Mohammed Ali Jinnah of the Muslim League to negotiate with Mahatma Gandhi on the long-pending issues of inter-communal relations and Indian national independence is the most eloquent refutation of British Secretary of State for India Leopold Amery's statement in the House of Commons on July 28 that Gandhi's proposals are not constructive. By its decision, the Muslim League has demonstrated to the world that Gandhi's offers are distinctly worthy of consideration. It is utter prevarication to maintain that they "do not even form a starting point for profitable discussion either with Viscount Wavell or with the interned Congress leaders".

Gandhi's compromise offer to Jinnah is a most progressive, forward-looking measure ever advanced by any party for the solution of the Hindu-Moslem issue since the British invented the bogey of communal strife as an excuse for not granting independence to India. Gandhi's plan clearly opens up a more sound, realistic approach to the settlement of the communal question than the Cripps scheme.

What Gandhi proposes is that a commission be appointed in the post-war period to determine whether the Moslems in the Northwest and Western India desire to separate from Hindustan. Under Cripps' plan, however, a more arbitrary and dictatorial policy would be adopted. The British themselves would determine which regions in India would be kept out of the proposed federation of Indian States, the object being to create a state within a state in accordance with the established British tradition of "divide et impera". There are, moreover, no mutual safeguards for the Hindus and the Moslems in case such a partition is made under the Cripps plan. On the other hand, under Gandhi's offer to Jinnah, there would be mutual guarantees for defense, commerce, communications and other vital matters in the event of separation. There is to be no forced migration of the people, the transfer of the Moslem and Hindu population being voluntary.

Amery's other charge that Gandhi's proposals "are not free from obscurities and reservations" is an absurdity. Gandhi's draft for the establishment of a national government of India is clear and unequivocal. What he offers to concede and what he reserves for the national government of India are sharply defined in his seven-point program: (1) There is to be no resort to civil disobedience by the Indian people during the war except for very grave reasons; (2) The national government of India, composed of ministers chosen by the legislature, is to have full control over civil administration; (3) The Viceroy's position was to be comparable to that of the King of England; (4) Popular government is to be restored automatically in all the provinces; (5) The Viceroy and Commander-in-Chief of the British forces are to have complete control over military operations during the course of the war although the ministry of national defense, which would be in the hands of an Indian subject, would assist in the formulation of general policies; (6) The anti-Axis forces are to bear the full expense of their operations in India; and (7) Gandhi is to advise the Indian National Congress to participate in the national government of India in the event of its formation.

These are no ambiguities. They allow no two-way interpretations. Gandhi is naturally opposed to the Cripps scheme because under it the Viceroy would be permitted to retain his present dictatorial powers. What the Indian leader seeks is to form a free, democratic government in India which would truly represent the Indian populace. He is merely exercising, as a representative of the Indian people, the right blatantly proclaimed in the Atlantic Charter under which all peoples ostensibly would be free to choose their own form of government. What could be a more just, reasonable demand? What could be a more constructive proposal?

The United States' War Costs

United States Secretary of the Treasury, Henry Morgenthau, Jr., recently stated in a speech in Arkansas that the United States has so far expended a total of $200,000,000,000 for direct military operations and that by the end of this year this amount may be increased further by $95,000,000,000. The cost of the march from Naples to Rome alone was $6,700,000,000. In the operations against the Marshall Islands, the coffers of the American treasury were drained by another $600,000,000.

On top of these stupendous war outlays, the casualties of the United States forces since the beginning of the current war up to July 27 has been, according to United States Secretary of War Henry Stimson, 311,677 men, an excess of more than 33,000 men over the total American losses in the first World War. The losses in the Saipan operations alone were 15,053 men.

At the present moment, the American people may not fully appreciate the appalling consequences of such heavy human and material losses. That is because of the abnormal war boom and the fact that the cost of the war is being paid for by partial recourse to bond flotations. But the war boom and reckless borrowing operations cannot continue forever. The time will surely come when the American people will have to pay for the cost of the present war in cold cash. They will have to face one or both of these alternatives—to work harder and longer hours or to cut down their standard of living—in order that a sizeable margin of their national income might be turned over toward the clearance of their staggering war debts.

This, of course, is their problem. But there is this danger: that the American people will try to increase their national income by recourse to relentless economic imperialism, the expansion of exports by unscrupulous competitive methods such as depreciation of the American currency, the cornering of the world's raw materials and the establishment of American spheres of economic influence to prevent other nations from enjoying the benefits of trade. This possibility is real; it has been manifested in the United Nations Relief and Rehabilitation Administration, the International Monetary Fund and other American-sponsored economic measures. It is against such policies of exploitation as these that the world must fight if it is to enjoy any measure of real prosperity in the future.

A Year Ago Today

August 4, 1943

The Governments of various neutral countries in Europe are showing great antipathy toward the American and British Governments which have been presumptuous enough to demand them to give no harbor to Axis political refugees. The Turkish Government is said to have finished a draft to be handed over to the United States and Britain rejecting their demand.

* * *

How greatly Britain, as a seafaring nation, has been weakened is revealed with greater clarity than ever before from a letter President Roosevelt has written to Prime Minister Winston Churchill, in which he promises to place at Britain's disposal a number of merchantmen for the duration of the war.

President Roosevelt gave as the reason for the promised step the considerable decrease in British space as a result of enemy action.

* * *

Donald M. Nelson, Chairman of the National War Production Board, issued a statement to all laborers in America cancelling the annual Labor Day holiday falling on September 6, in view of the current situation. Nelson said that America's war production has suffered greatly from the past strikes and not a day can be lost from the production front. Therefore, he added, laborers must forego their Labor Day holiday and contribute to the increase of war production.

CHUNGKING'S POLITICAL SETBACK

Latest Japanese Victory Foils Chiang's Plan to Conserve Army

Editor's Note: As a result of the recent military success scored by the Imperial Forces in the continent, the Chungking regime has lost much of its power or voice over its domestic and foreign affairs and is now showing a great anguish over its present predicament. This is revealed by Mr. Koji Bessho's article contributed to a recent issue of the "Sekai Shukan" entitled "Shake-up of Chungking's Political Foundations."

"A State without proper defense faces destruction not only in time of war but also in time of peace." These are the words often employed by Chiang Kai-shek in giving instructions to his government officials, military men and to the people in general. They are indicative of the degree of Chiang's knowledge of defense and military affairs.

Let us now see the conditions under which he is making use of his army, supposedly consisting of 3,000,000 men at the present stage of the war. The charge has been made by the Anglo-Americans that Chiang is not fighting seriously with Japan but rather with the army of the Chinese Communist regime.

The fact is the Chungking regime is endeavoring to conserve its army of 3,000,000 men by avoiding its depletion as far as possible in order to maintain its unified domestic front against Japan and to uphold its international prestige politically with a large army to back up its domestic and foreign policies. For this reason, the role alloted to Chungking at the Cairo Conference, in the anti-Axis plan of counter-offensives against Japan, was a thankless task and a heavy burden for the regime. And the so-called "June offensive" of the Chungking regime was merely a show for the Anglo-American consumption. Even supposing that Chungking entertained intentions of undertaking a general offensive against Japan in concerted action with the Anglo-Americans, it must have been a lukewarm affair.

Japanese Annihilate Enemy

The success of the new military operations of the Japanese Imperial Forces carried out with an irresistible force and in rapid succession in the First, Fifth, Sixth and the Ninth War Zones against the armies of Chungking in this state of mind surpassed all expectations. Our forces not only annihilated the main body of the Chungking forces in the First War Zone on the Honan front, but have advanced to the western part of the Lunghai Railway line as well, and the Chungking authorities are showing a great confusion at the rapid advance of the Japanese Forces along all battle fronts.

It is only natural that the Chungking authorities should become terror-stricken at these latest turn of affairs because their intentions of conserving their armies as political background in their dream of attaining greatness have been thus completely crushed by the military victory of the Imperial Forces whose rapid onrush gave no time to the Chungking forces to allow themselves to retreat and preserve themselves.

The conference between the representatives of the Chungking regime, Chang Chih-chung, Wang Shih-chieh and the representatives of the Chinese Communist Party headed by Lin Tsu-han, which was held for a week starting May 6 at Sian has been continued in Chungking. Lin who met Chiang has announced that the negotiations have been progressing smoothly but that no prediction can be made of its outcome. So far nothing has come out of the proceedings.

But significant is the editorial which was carried by the organ of the Chinese Communist Party, the Hsinhwa Jih Pao, on May 13 while the conference was going on at Sian. It said: "To disband the encirclement of the Chinese Communist Army, only a fraction of the Hu Tsun-nan army, which is the strongest under the direct command of Chungking, has been dispatched to the Honan front, the remainder staying within the Eighth War Zone."

The following critical account of the Chungking forces by a Soviet magazine, War and the Working Class, is also worthy of note. It said, "The crack forces of the Chungking army has suffered their greatest defeat in the past six years and have retreated from Honan Province before comparatively small Japanese Forces. The leaders of Chungking are pointing to the economic backwardness of their country and lack of proper assistance from the Anglo-American nations in their apologetic explanation of the defeat. But the fact is the Chungking forces are still remnants of feudalism, and at the same time there is a strong tendency for defeatism among the officers. The defeat of the Chungking forces in Honan is not accidental—it is the result of the general internal conditions of Chungking."

Thus, the Chungking army, which is "to be the pillar of the State in time of war and peace," in the words of Chiang Kai-shek, is being exposed to grave danger in the face of the Japanese Forces, and the Chungking regime is about to lose its power or voice over the people living in its controlled area and with the Chinese Communist regime and also in dealing with the nations of the world. Nothing can now cover up the anguish of Chungking regime.

The Anglo-American Appetite

U.S. Aspires for Supremacy in 'Asiatic Mediterranean' To Monopolize East Asia's Rich Resources

By KUMATARO HONDA

(From Contemporary Japan)

Part II

Professor Spykman in his America's Strategy in World Politics explains that in American parlance there are three Mediterraneans in the world: one is the Mediterranean of Europe; another is the American Mediterranean or the Caribbean Sea, which, lying in between the North and South American continents, provides a transit zone between North and South America and between the Atlantic and Pacific; and the third is the "Asiatic Mediterranean" which "lies between Asia and Australia and between the Pacific and Indian Oceans."

A perusal of the speeches delivered by President Roosevelt since the start of the Greater East Asia War leaves no shadow of doubt that he is importunately ambitious enough to aspire for the establishment of American supremacy in the "Asiatic Mediterranean" even consigning to the scrap heap the opposing viewpoints of Britain there anent. Professor Spykman endorses the Rooseveltian ambition when he says that America as "an Asiatic Power" must control the "Asiatic Mediterranean." He substantiates the veracity of his assertion in the subjoined manner:

"This region is a tropical area, rich in minerals and endowed in certain sections with an extremely fertile soil. The archipelago in the Asiatic Mediterranean contains important oil-fields, coal and iron, a large potential water power, precious metals and the largest tin deposits in the world. Good soil, plenty of rainfall and ample labor supply eminently suited for plantation work have combined to make this region the most important exporter of the products of tropical agriculture and strategic materials far surpassing in output the African or the American tropics.

U.S. Seeks Domination

Professor Spykman, after giving the foregoing outline, sums up that strategic and essential materials needed by the United States to maintain her defense network and industrial setup must be acquired from the "Asiatic Mediterranean zone." It is obvious to anyone that the United States is resolved to dominate Greater East Asia politically and economically for two reasons: first, to deprive Japan of any chance of remaining as a Power, or to be more accurate, to reduce Japan to the status of a weak nation; and second, to monopolize the resources of Greater East Asia by installing such forms of government in the southern countries as are advantageous to that end.

The American resolution makes no room for concession to Britain who, it is unthinkable, will submit to the perpetuation of an American sway lying down. Japan, being well aware of the aforesaid expansionist proclivity of the United States, that is, America's war aim in regard to East Asia, is more than ever grimly determined to forge ahead with the task of constructing an endurable Greater East Asia Region of common prosperity and security without suppressing the legitimate rights of the nations of other regions of the world to acquire materials from, and trade with, the countries of Greater East Asia. That neither Japan nor the sovereign countries of these quarters of the globe will restrict international commercial and economic activities has been clarified by the adoption of the Greater East Asiatic Joint Declaration.

The construction of an endurable Greater East Aisa co-prosperity regions does not in any wise envisage the shutting out of America's legitimate commercial and economic activities; but America is against the stabilization of a regional harmony, for it wants to monopolize the resources of Greater East Asia, assuming simultaneously the role of a politico-economic policeman.

Joseph Grew, former American Ambassador to Japan, is frequently urging Washington to open up broadsides against this country, for he wants it to lay a road to Tokyo as early as possible. He should not, however, forget that there is no short cut to Tokyo, and that all roads leading to Tokyo are being controlled by Japan. He is desperately trying to popularize the slogan, "Don't give Japan time," with a view to sustaining the morale at home.

In August of last year, Joseph Grew in a speech said that Japan must be demilitarized "out and out on land, sea and in the air to deprive her of any chance of menacing international peace again." He then maintained: "It is necessary not only to restore the territories now seized by Japan to their rightful owners, but also to dispossess her of her insular possessions of strategic importance." In face of these views expressed by a responsible American official, it is scarcely necessary to add any further explanation to expose the Mammonistic appetite of Washington, which was most outspokenly revealed by President Roosevelt himself in his message to Congress on September 17, 1943. The message, in part, reads:

It goes almost without saying that when Japan surrenders, the United States will never again let her have authority over the islands which were mandated to her by the League of Nations. Japan obviously is not to be trusted, and the same thing holds good in the case of the vast territories which Japan has taken from China long before this war began.

Lack Decorum

It certainly savors of a lack of decorum on the part of President Roosevelt when he, to let off his heat against Japan, presumptuously indulges in a hypothetical consideration of the surrender of Japan. He is resorting to impugnment, because he is unable to gain a decisive result against this country.

At the Cairo conference under the guidance of President Roosevelt and Prime Minister Churchill a declaration was adopted, which said: "It is their (Britain's and America's) purpose that Japan shall be stripped of all the islands in the Pacific which she has seized or occupied since the beginning of the first World War in 1914, and that all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa and the Pescadores, shall be restored to the Republic of China. Japan will also be expelled from all other territories that she has taken by violence and greed."

Foreign Minister Mamoru Shigemitsu, flaying the declaration mentioned that the Anglo-American nations were trying to put back the hands of the clock when they agreed that they would reduce Japan to her former status as existing at the time of the commencement of the last World War. He then exposed the imperialist appetite of Britain and the United States in East Asia and averred that, no matter how much and long they tried, Japan would fight to the bitter end to consummate her objective of establishing a lasting mutual prosperity sphere of Greater East Asia by relying on her own power and the now continuing wholehearted collaboration of the southern countries.

On February 2 of this year, a German news agency dispatch from Berlin quoting an Associated Press report said: "The American Government has referred to Wall Street its draft post-war plan for dealing with Japan. The salient feature of the plan is a provision aimed at shattering Japan's heavy industries to wipe out her aviation." If this piece of information is taken as authentic, it means that the American Government also hopes to materialize the industrial death of Japan. Every right-thinking person will have no other option but to admit that Japan is fighting to protect her self-existence. It is precisely for this reason that she does not entertain any motive of intruding upon the legitimate sphere of America.

Britain's Position Inferior

Although Britain's position in the Orient and in the Pacific has become substantially subordinate to that of the United States, she is nevertheless making assiduous endeavors not only to have her say in East Asia, but also not to permit her remaining portion of the Empire come under the positive influence of her "big partner."

The recent British Empire Conference held in London, among other things, must have discussed exhaustively the imperativeness of holding back the onrush of the United States. While Britain on the one hand is extremely anxious to cling on to her Empire, she on the other has acquiesced in America's war objective in East Asia mainly to approve the formulation of such measures as would facilitate the overthrow of Japan's supremacy. She evidently hopes that, when Japan and America after a long spell of fighting would be weakened, she would have a strong chance of salvaging her lost prestige and power in East Asia. But the United States is taking every precaution not to give Britain such a chance; whereas Japan is firmly resolved not to allow Britain even a remote opportunity to interfere in the affairs of East Asia in the future.

The Anglo-American imperialistic appetite is so obvious as to be beyond question. Their joint war aim with respect to East Asia is a case in point. Japan is now prosecuting a relentless warfare to see to it that their appetite remains unsatisfied.

(End)

F.I.C. BOLSTERS TRADE TIES WITH JAPAN

Country Possesses Abundant Resources Still Untapped

(By A SPECIAL CONTRIBUTOR)

It is indeed heartening to see French Indo-China definitely displaying her merits in the Greater East Asia Common Prosperity Region. Moreover, the orders issued by the French Government to maintain friendly relations with Japan have become more pronounced with the passing of time. For instance, Japanese commercial firms in Indo-China enjoy equal rights as those of the people of that country. Also customs tariffs on Japanese imports are accorded preferential rates which have created in bringing about friendly relations between the two countries, and, moreover, have literally hastened Indo-China's opportunities for insuring the common prosperity policy.

It is a well-known fact that French Indo-China is abundant in her surface resources, but she is also famous for her wealth of subterranean resources. First of all, her cultivation of Rangoon rice is most prosperously undertaken. Prior to the outbreak of the War, she exported 1,500,000 tons of rice. The Mekong River region is the principal rice producing center.

Next in importance to rice is Indian corn, most of which was exported to France for live-stock fodder and part used as raw material for manufacturing alcohol. Tapioca starch is another noted product of this region. A certain amount of this product has been imported by Japan yearly as material for making candy. Her peanuts have been used to manufacture oil and for food, soap and other uses. From the kapok, which is another famous product of the Mekong River region, fiber is extracted, and from the seeds cooking-oil is derived. Although a certain amount of tobacco is produced in this region, most of Indo-China's tobacco is imported.

Pepper is abundantly produced in Cambodia, and a large supply of it is exported to Japan to be used as condiment. Furthermore, cinnamon, cardamom and cajeput, the latter which is used for medicinal purposes, are also produced.

Sugar Taken From Coconut

In French Indo-China sugar has been extracted since ancient times from coconut. This sugar is different from cane-sugar and its value is recognized as such. Known as coconut sugar, it is boiled and made into syrup and coagulated sugar.

Although tea is produced to a certain extent in Indo-China, it is not quite as well known as the black tea produced in Ceylon and India. On the other hand, coconut oil, which is extracted from the kernel of coconuts is one of the necessaries of life, and recently a certain amount of it has been exported to Japan.

The agricultural products of Indo-China listed according to the amount in which they are produced are rice, Indian corn, rubber, sugar cane, peanuts, and tobacco.

Previous to the outbreak of the War, Indo-China's rubber production was equivalent to 11 per cent of Malaya's output. With efficient cultivation in the future, we can look forward to increased production.

Important are French Indo-China's subterranean resources, especially her mineral products. They are namely: gold, silver, iron lead, bauxite, antimony, phosphate, coal, asbestos, sapphire, rock-salt, and mineral oil.

Of these subterranean resources, coal is her major basic product and is famous throughout the world for its flawless high-grade quality.

Although large varieties of mineral resources are being exploited in Indo-China at present, there still remain many resources which have not yet been developed. With the advent of future development, the industrial and economic phase of Indo-China will take on an entirely new aspect.

Since closer friendly relations are being carried on between Japan and French Indo-China, it is only natural that the ship-building and manufacturing industries will develop there. And thus, it is a matter of course that this country will develop into an industrial nation in the future.

Fruits of Wisdom

It is the passions of men that both do and undo everything.—They are the winds that are necessary to put everything in motion, though they often cause storms.—Fontenelle.

• • •

Few things are impracticable in themselves; and it is for want of application, rather than of means, that men fail of success.—Rochefoucauld.

• • •

The conflict of patience is such, that the vanquished is better than the vanquisher.—Euripides.

• • •

Philosophy is the science which considers truth.—Aristotle.

CONTROVERSIES IN FOE'S MONETARY PARLEY

Freeing of India's Blocked Sterling Balances Is Refused

The following article appeared in the July 12 issue of the Financial News of London.

The compromise proposal regarding the freeing of India's blocked sterling balances put forward by the Indian delegation to the anti-Axis monetary conference provided that at least a percentage—to be determined by the conference—of India's sterling holdings in Britain should be released for conversion into foreign currencies.

India's proposal, however, is opposed by the United Kingdom, the United States and France, and official statements have been issued by the three delegations. Keynes of the United Kingdom stated that "such countries as the U.S.S.R. and Great Britain fought this war on the principle of unlimited liability and with more reckless disregard of economic consequences than the others more fortunately placed. As a result of this attitude, the United Kingdom was greatly impoverished and other countries considerably enriched at our expense. In order to make settlements Britain's debts must remain a matter between those directly concerned, then the Fund might improve indirectly Britain's ability to meet her obligations."

The United States statement says: "We are confident that the problem of wartime indebtedness can best be settled directly by the countries concerned. However, we doubt the advisability of attempting this through the International Monetary Fund. The Fund should not even be used for such purposes as relief, reconstruction and indebtedness arising from the war even though the Fund might help some of these problems through promotion of international trade. To ask more of the Fund is to impose danger of its failing to perform the specific task for which it is intended."

The spokesman for the United Kingdom said that the United Kingdom had taken on excess obligation in order to carry on the war. The United Kingdom, he also said, sold all the foreign assets it could to pay off some of these obligations, retaining only minor dollars and gold assets to carry on small volume of foreign trade and to pay off dollar and gold obligations to such countries as Switzerland and the United States.

Shroff Explains

The Indian position was explained by Shroff, who is the director of the Tata industries, and who made a powerful plea to the conference to establish a provision for releasing at least a part of India's blocked sterling balances which now amount to four billion dollars. Shroff accused the "big guns" of the conference of neglecting India's interests and warned them that if India was ignored "we cannot be expected to make our full contribution to strengthening the Fund resources."

Countering the United States objection that the liquidation of India's blocked balances would overtax the resources of the Fund, Shroff asserted that only a reasonable proportion of the balances would be liquidated, and declared that the resources of the Fund were too small anyway and inadequate for tackling India's problem. He further declared that the United Kingdom would not be able to satisfy all of India's postwar needs, although they would receive the largest part of the Indian market because of the close commercial ties between the two countries, and because India's funds would be used to buy both capital and consumer goods from the United Kingdom.

Although India did not withdraw her proposal, the conference, by an overwhelming majority, decided to pass over the question and to go on to other matters such as the proposed international bank, which is being formally discussed for the first time. According to the spokesman of the conference, as matters now stand, practically all the problems relating to the principle for the international exchange stabilization fund have been "successfully" settled. Only the details remain to be worked out.

Keilhau then disclosed the details of the resolution offered by his delegation which included the following: (1) liquidation of the bank for international settlements; (2) exclusion of Germany and Japan from the fund of the proposed international political organization and (3) the creation of the international banking unit called "demos."

When questioned about the international political organization, which he mentioned, Keilhau said that such a plan—similar to the League of Nations—was being now worked out by the United States State Department.

He then read two new resolutions submitted to the conference by the Norwegian delegation, concerning the particular problems of the occupied and war devastated countries. The first was the provision that member countries could use the gold contributed to the Fund to cover part of their note issues. This was of particular interest, he said, to such countries as Britain and Russia, who were unwilling to sacrifice large quantities of gold to the Fund when they could be used for the reconstruction of their countries.

The second proposal was the provision that member countries could consider the amount of their currency contributed to the Fund as additional fiduciary money not to be covered by gold or other collateral. He proposed that exiled governments' banks should be allowed to become full members of the Fund and to establish provisional parity for their currency. But that this should be made subject to ratification by the parliament of those countries when they convene after liberation.

He also mentioned grave problems created by the fact that several occupied nations had large diversity of currencies which had to be unified. Countries, such as China, said Keilhau, would have to revise their whole monetary system and possibly create new ones before they could join the Fund and establish parity for their currency.

Keilhau, incidentally, has been made the president of a subcommittee for the liberated areas.

Separate proposals designed to give silver an acknowledged international standing are also reported to have been submitted by the Mexican and Bolivian delegates. Suggestions are embodied in the drafts of the amendments to the $8,000,000,000 monetary funds and support is forthcoming from Ecuador, Peru and a number of other Latin American countries. Chances of adoption, however, are regarded as slim.

News Chronicle Comments

The News Chronicle commented on the progress of the conference as follows:

A belief now seems to prevail that the conference is going on quite reasonably well—at least as well as one had any right to expect at the start and much better than was suggested by the gloomy hints earlier at a possible breakdown.

But it is clear that the conference has not confined itself too rapidly to purely a technical plane. Politics, as distinct from economics, intruded vigorously. Soviet Russia, which, when monetary plans were first propounded, professed a great indifference to them, developed her interest in the project to a pitch of applying successfully for an increase in the quota. It was not so good, however, to find the Russian delegations refusing to give information about Russia's gold production and gold holdings.

Will it be dollars which will be the scarce currency? At the present rates of exchange, it looks as though American goods will be high priced by the reason of the great advance in her wage rates, but many other questions at present loom quite as large, such as the Lend-Lease policy which will enter into the matter.

SONGS FROM PRISON

By MAHATMA GANDHI

What words, what speech,
Can tell the joy of those who
know our God?

Their life is lived
Not for themselves, but for the
need of men.

In others' service
They suffer arduous adversity:

Mercy towards all that lives—
This is their spiritual substance.

They give no second thought
To what may benefit themselves;

Their bliss they find in others'
bliss alone.
And all unknowingly
They hand to other men the
draught immortal.

• • •

Who so would be God's man
Must tread God's way of stern
self-ruling:

No hasty words for such a man,
No slothful ease,
No dainty meats,
No vain disputings;

Be resolved of this—
Whate'er thou doest, eatest,
speakest,
Shall all be ruled aright:

He who would win to Peace,
Must fix his mind most ardently
on God:

Even as a lamp,
Blown perilously, all but quenched by stormy winds,
Is brought within, and there
flame steady,
So shall thy soul be brought
within,
And steadfast flame to God.

• • •

My God,
Rather, I pray thee, blind my eyes
Than let them gaze on sights that
kindle lust.

Rather make deaf my ears
Than let them hear an evil word
of any man.

Rather seal my lips with dumbness
Than let one sinful syllable come
forth from them:

Rather sweep my life away from
earth
Than let Desire flame up within
my heart:

From henceforth, Saviour-God,
All worldy things are dust to me;
Thee, thee alone,
I long for, and adore,